

Amendment 1 to RFP Number: 317.03-103-04 REISSUE:

**State of Tennessee Response to Contractor
Comments, Questions, and Requests for Clarification**

CONTENTS

**Questions and Answers
Attachment A: Tennessee LEC**

October 31, 2003

RFP Number: 317.03-103-04 REISSUE: State of Tennessee Response to Contractor Comments, Questions, and Requests for Clarification

Following is a compilation of all Comments, Questions, and Requests for Clarification submitted by Contractors as of the deadline of 4:30 PM on 10/29. Each is followed by the State's Response.

1. Page 13, Section 4 Special Requirements 4.3

Please clarify lowest to highest payphone locations. Does the state want change outs done by individual ANI or by complete location, e.g. Location A has four phones and does a total of \$15.00 a day in revenue vs. Location B that has 5 phones that only generate \$12.00 a day in revenue?

Is the state willing to accept alternate installation proposals that will more economically and efficiently transition the payphones from BellSouth control to the selected vendor in order to meet the requested December 31st 2003 deadline?

STATE'S RESPONSE:

Change outs may be done by location. Revenue by location will determine the change out schedule with locations having lesser revenues changed out first.

The State will not accept alternate proposals for methods of installation. Though desiring completion by December 31, 2003, the State proposes January 15, 2004 as the "must be installed by" date.

2. Page 26, Section A.2 TDD, Letter h: Please clarify who will be responsible for installing AC power to the pedestals for TDD service?

STATE'S RESPONSE:

Section A.12 of the ProForma states: "The State will be responsible for the following:

...

- Power for TDDs will be brought to the payphone pedestal supporting the TDD**

3. General Question: What is the current commission rate that BellSouth is paying the state?

STATE'S RESPONSE:

35%

4. General Question: What are the current call rates that BellSouth and AT&T are charging for the following calls?

Local coin call

Long Distance coin call, both initial rate and per minute charges

IntraLata Collect Call both initial rate and per minute charges

InterLata Collect Call both initial rate and per minute charges

IntraLata Third Party Number billed both initial rate and p/minute charges

InterLata Third Party Number billed both initial rate and p/minute charges

STATE'S RESPONSE:

This information is public record and can be obtained from BellSouth and AT&T.

5. General Question: What is the current charge for using Directory Assistance from a BellSouth payphone?

STATE'S RESPONSE:

This information is public record and can be obtained from BellSouth.

6. Attachment 9.10: Will the 20 pay telephone stations at the Mental Health Institute on Stewarts Ferry Pike in Nashville, which are not included in the current contract, be included in the contract that results from this RFP?

If so can BellSouth provide a listing of equipment at this facility?

STATE'S RESPONSE:

The 20 pay telephone stations at the Mental Health Institute on Stewarts Ferry Pike in Nashville are to be included in the contract that results from this RFP.

Bellsouth Public Communications Displacement line number is 205-943-2812. They will provide information on equipment installed and cost to purchase if requested.

7. General Question: Can you provide the individual LECs that are providing dial tone to BellSouth for each location broken down by individual ANI in areas where BellSouth Telephone is not providing the dial tone?

STATE'S RESPONSE:

See Attachment A., a BellSouth data base that provides local PIC choices for those locations currently under contract. These reflect the LEC.

8. Attachment 9.8 List of Locations and Equipment: Can you please have BellSouth explain their abbreviation for the following, specifically the underlined part?

"SET TEL CN 1P2 BS W/O LL"

STATE'S RESPONSE:

BellSouth advises that "code "w/o LL" means the equipment was purchased without lower locks. The new vendor will have to supply their own locks.

9. Page 15, Section 5.2.1.5: Regarding Subcontractors; how does the Proposer receive written approval from the State to use subcontractors? Does this approval need to be completed prior to the award of the contract?

STATE'S RESPONSE:

Section 5.2.1.5 of the RFP states, "The letter shall state whether the Proposer intends to use subcontractors — if so, clearly identify the names of the subcontractors along with complete mailing addresses and the scope and portions of the work the subcontractors shall perform. (NOTE: The Contractor must obtain written approval from the State prior to the use of any subcontractors.)"

The Contract, when awarded to the Proposer, approves listed Subcontractors unless the Contractor is other wise notified.

Once awarded a contract, if the contractor intends to uses subcontractors, the Contractor must provide the State with a written request to do so. Prior written approval must be obtained from the state before engaging a subcontractor. Please refer to Section 8, Subsection D.5, Subcontracting, of the Pro Forma Contract.

Subsequent requests for additional subcontractors should be submitted to the State as designated in Section E.2 of the Pro Forma Contract, Communications and Contacts, with the approval or rejection sent to the Contractor as designated in E.2.

10. Page 31, Section A.9.k: If the Proposer already has a relationship with another national LIDB service for Collect Call validation may we use those instead of the Local LEC database?

STATE'S RESPONSE:

Yes.

11. General Question: Does the state, at this time, intend to close, remodel, or expand any of the facilities that are currently listed in attachments 9.8 and 9.10? If so what is the time table for said event, and in the event that the facility is not closing, what is the estimated time that the facility would be out o(f) service?

STATE'S RESPONSE:

The purpose of requesting a cost proposal for Adds, Moves and Changes is to allow the State, at their discretion, to make changes as needed.

12. General Question:

Are there any youth facilities that are not on this contract? If so will they be added at some time in the future?

STATE'S RESPONSE:

Section A.15 of the Pro Forma Contract states: "Payphone Type and Location. Attachment A (Attachment 9.8 of the RFP), "Payphone Location and Equipment," is a listing of all known State payphones at State locations. The dynamic nature of payphones at State locations throughout the State means that this list is in a constant state of change. Upon contract initiation, the Contractor must verify with the State if additional locations have been added, or if locations have been deleted from Attachment A.

Any additions may be added by the State using the Add, Move, Change rates.

13. (General Question)

As a point of clarification, the RFP doesn't mention payphones in inmate facilities, however, on Attachment 9.10, the historical revenue shows approximately 24 phones under the LINE CAT of INMATE. Are these actual secured inmate phones or are they public payphones located within these facilities? Could you describe the type of payphone under the LINE CAT defined as INMATE?

STATE'S RESPONSE:

1.1, paragraph 2 The State of Tennessee, Department of Finance and Administration, Office for Information Resources, Data Networking and Telecommunications Division, hereinafter referred to as the State, intends to secure a contract for the supply of payphones and associated services for all locations within the State of Tennessee designated by OIR-Telecommunications.

1.1 , paragraph 3 "In any event, all locations, and equipment listed in Attachment 9.8 must be installed by January 15, 2004. Existing locations of TDD units shall remain. Attachment 9.8 lists the payphone locations and our best list of equipment at each.

The phones are coin less, secured inmate phones except for 1 at Moccasin Bend and it is an inmate coin.

Rob Corn, BellSouth, at 205-943- 2866 can be contacted for further information on existing equipment.

14. (General Question)

Is the State requiring any type of Inmate Call Control system for these phones?

STATE'S RESPONSE:

Yes. Currently installed are RACTS systems. The State will accept any equivalent replacement system. Rob Corn, BellSouth, at 205-943- 2866 can be contacted for further information on existing equipment.

15. (General Question)

The revised Attachment 9.9 is a pdf file, which means it is protected and we cannot complete it as is. Is the State going to reissue the pdf files in a format that can be manipulated?

STATE'S RESPONSE:

The PDF file can be printed and entries typed or hand written on Attachment 9.9.

16. (General Question)

In order to provide the State with the best information possible to make a decision, the response forms must be filled out accurately. Will the State make someone available to take phone calls from all proposers who have questions concerning the way to answer the attachments?

STATE'S RESPONSE:

The State feels that it has adequately defined and described instructions for a Proposer to be responsive to this RFP.

Section 5, Proposal Format and Content, is standard to all State RFPs. Proposers should read carefully and provide the information or documentation as requested.

Section 6, Evaluation and Contractor Selection, is standard to all State RFPs and explains the proposal evaluation categories and maximum points, the proposal evaluation and contract award process. Proposers should read the section carefully for comprehension and ability to submit a responsive proposal.

Attachment 9.2 is the Monthly Cost Proposal Format. The State is requesting 3 attachments.

1. "a listing of all payphone and TDD equipment and services for which the Proposer may charge monthly rates. Listing should be in Excel format and include columns for Commodity Code (any item specific code), Item Name, Item Description and monthly rate for each."
2. "a description of the methodology for monthly rate reduction based on monthly revenue."
3. "the completed monthly pricing for the Cost Proposal Evaluation Model in Attachment 9.9. This model is based on representative items needed under this contract, but may not include all possible items identified in the listing of payphone and TDD equipment and services for which the Proposer may charge monthly rates."

Attachment 9.2A is the Initial Installation / Conversion Cost Proposal Format. The State is requesting 1 attachment "listing of all payphone locations documented in Attachment 9.8 and the one time, initial installation / conversion cost for each. Listing should be in Excel format." The "Total one time, initial installation / conversion cost for locations and equipment documented in Attachment 9.9." (see Amendment 2, changing Attachment 9.9 to 9.8) is also requested.

Attachment 9.2B is the Add, Move and Change Installation Cost Proposal Format. The State is requesting 2 attachments.

1. "listing of all payphone and TDD equipment and services for which the Proposer may charge Add, Move, and Change charges. Listing should be in Excel format and include columns for Commodity Code (any item specific code), Item Name, Item Description and monthly rate for each."
2. "Complete the total Add, Move, Change pricing in the Cost Proposal Evaluation Model in Attachment 9.9. "

Attachment 9.2C is the Commission Proposal Format (Commission Percentage). The State requests the "Percentage paid to the State on all payphone revenue ".

Attachment 9.9 is the Cost Proposal Evaluation Model used in the Monthly Cost Proposal Format and the Add, Move and Change Installation Cost Proposal Format. The cost figures for this model should come from the “listing of all payphone and TDD equipment and services for which the Proposer may charge monthly rates” provided as an attachment to 9.2 and the “listing of all payphone and TDD equipment and services for which the Proposer may charge Add, Move, and Change charges” provided as an attachment to 9.2B. Instructions for completing Attachment 9.9 are included on the attachment.

17. (Introduction) 1.1 Statement of Purpose

☐ The anticipated start date of the contract is November 26, 2003. It is the desire of the State that by December 31, 2003, all locations and equipment listed in Attachment 9.8 will be installed under the contract pursuant to this RFP. In any event, all locations and equipment listed in Attachment 9.8 must be installed by January 15, 2004. (page 2)

- The Proposer’s proposal assumes the transition of almost all existing equipment from BellSouth. Please be aware that these transitions will require a visit from a BellSouth technician or contractor in coordination with the transition schedule. The Proposer is well experienced with these transitions as we have been involved in the transition of over 1,000 stations from BellSouth. Given that BellSouth will be exiting the payphone business at the end of the year, they’re technicians and contractors are very busy at this point. The Proposer will make every reasonable effort to meet the State’s required dates, however, The Proposer cannot control BellSouth’s technicians or contractors.

STATE’S RESPONSE:

See the answer to Question 1 as well as the following.

As stated in section 1.1 in section 8.a.7 of the Pro Forma Contract, “It is the desire of the State that by December 31, 2003, all locations and equipment listed in Attachment 9.8 will be installed under the contract pursuant to this RFP. In any event, all locations, and equipment listed in Attachment 9.8 must be installed by January 15, 2004.”

18. (Introduction) (1.1 Statement of Purpose)

Installation / Conversion shall take place in reverse revenue order changing those locations with unknown revenue first and then lowest revenue to highest revenue locations. (page 2)

- Installation/Conversion in any order other than geographic as it relates to BellSouth’s availability of technicians and contractors will cause inefficiencies and most likely slow implementation. The Proposer suggests that the scheduling be done based on speed and BellSouth’s availability of technicians and contractors. Will the State consider participating in a schedule to be developed in conjunction with BellSouth?

STATE’S RESPONSE:

See the answer to Question 1.

19. (Introduction) Per Section 3.4, Required Review and Waiver of Objections by Proposers, the RFP states, "Proposers should carefully review this RFP and all attachments, including but not limited to the *pro forma* contract, for comments, questions, defects, objections, or any other matter requiring clarification or correction (collectively called "comments"). Comments concerning RFP objections must be made in writing and received by the State no later than the Deadline for Written Comments detailed in the Section 2, RFP Schedule of Events. This will allow issuance of any necessary amendments and help prevent the opening of defective proposals upon which contract award could not be made.
- In order to be compliant with the RFP, the Proposer's objections to the *pro forma* contract are below, however, this is proprietary information and the Proposer does not wish this information be supplied to our competitors.

STATE'S RESPONSE:

In responding to written questions and comments received from potential proposers, the State uses the following format. Each question or comment received is restated followed by the State's response. No identifying information is provided regarding the names of potential proposers who submitted questions or comments.

In accordance with Section 3.3.5 of the RFP, the State will mail copies of its written responses to written comments to all vendors submitting a Letter of Intent to Propose.

Upon completion of evaluation of proposals, the proposals and associated materials are open for public review in accordance with Tennessee Code Annotated Section 10-7-504(a)(7). At that time, The Proposer's correspondence containing questions concerning this RFP will be public record. Please refer to Section 3.22 of the RFP.

20. (Pro Forma Contract) A.1 SCOPE OF SERVICES;
- Section A.1, 2nd paragraph, last sentence -- The Contractor must receive prior approval from the State for installation of all equipment and prior authorization from the State for all changes, moves, additions or deletions of equipment.
- The Proposer would insert the words "upon mutual agreement" to the end of the sentence.

STATE'S RESPONSE:

The State will not agree to this change.

21. (Pro Forma Contract) (A.1 SCOPE OF SERVICES:)
- Section 1.6, Maintenance Standards, 4th paragraph -- "To collect all coins in the payphones on a scheduled basis so that the stations do not become inoperable due to being overfilled.
- The Proposer would insert the word "reasonably" between "a" and "scheduled".

STATE'S RESPONSE:

The State will not agree to this change.

22. . (Pro Forma Contract) (A.1 SCOPE OF SERVICES:)

Section A.9.b, Call Types, 2nd paragraph – “Additionally, the Contractor shall allow callers to place Real Time Rated/Coin Sent Paid (coins deposited in the coin box) calls:

- User Dialed (0+) Person to Person
- Operator Dialed (0-) State to Station
- Operator Dialed (0-) Person to Person
 - The Proposer is unaware of any technology that would allow these types of calls to be placed using coins other than through “dumb” phones provided by the LEC. The Proposer will be using “smart phones” and will not support these rare types of calls.

STATE’S RESPONSE:

The State will remove these requirements. See Amendment 2.

23. (Pro Forma Contract) (A.1 SCOPE OF SERVICES:)

Section A.9.c, Free Calls, 2nd paragraph – “No blockage of the above type of calls will be allowed. If the Contractor is found to be blocking any of these free call types, it may be grounds for contract termination.

- The Proposer would insert the words, “if not corrected within two (2) days following notice, “ between the words “types” and “it may be”.

STATE’S RESPONSE:

The State will not agree to this change.

24. (Pro Forma Contract) (A.1 SCOPE OF SERVICES:)

Section A.9.k, Collect and Third Number Billed, 2nd paragraph -- The Contractor shall check local exchange carrier (LEC) databases for billed number screening restrictions before each Collect and for Third Number Billed calls is completed. The Contractor shall, upon notification from the billed party, immediately credit the billed party account. Failure on the part of Contractor to check the LEC databases may result in cancellation of this contract and forfeiture of any performance guarantee proposing a complete turnkey operation, Concessionaire shall be capable of installing universal type phones that accept both coins and credit cards. (page 9)

- The Proposer would insert the words “for improperly billed items” between “account” and “Failure”.

STATE’S RESPONSE:

See Amendment 2.

25. (Pro Forma Contract) B.2, Term Extension –

The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than five (5) years, provided that the State notifies the Contractor in writing of its intention to do so at least ninety (90) days prior to the contract expiration date. An extension of the term of this Contract will be effected through an amendment to the Contract. If the extension of the Contract necessitates additional funding beyond that which was included in the original Contract, the increase in the State’s maximum liability will also be effected through an amendment to the Contract and shall be based upon rates provided for in the original contract.

- The Proposer would request a change in the Term Extension to two (2), one (1) year, mutually agreed upon renewal options.

STATE’S RESPONSE:

The State will not agree to this change.

26. (Pro Forma Contract) D.4, Termination for Cause

If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any material terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.

- The Proposer will add the verbiage in red.

STATE'S RESPONSE:

The State will not agree to insert the word "material" in the first sentence of this clause.

27. (Pro Forma Contract) D.5, Subcontracting

The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract pertaining to "Conflicts of Interest" and "Nondiscrimination" (sections D.6. and D.7.). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

- It is the Proposer's intention to manage another payphone service provider who will own and operate the payphones throughout the State of Tennessee. This payphone service provider may utilize subcontractors. The Proposer will be responsible for the performance of this agreement in full. Additional detail regarding the payphone service provider and possible subcontractors will be made available to the State upon request.

STATE'S RESPONSE:

Section 5.2.1.5 of the RFP pertaining to the Proposal Transmittal Letter states, "The letter shall state whether the Proposer intends to use subcontractors — if so, clearly identify the names of the subcontractors along with complete mailing addresses and the scope and portions of the work the subcontractors shall perform. (NOTE: The Contractor must obtain written approval from the State prior to the use of any subcontractors.)"

The Contract, when awarded to the Proposer, approves listed Subcontractors unless the Contractor is otherwise notified.

Once awarded a contract, if the contractor intends to uses subcontractors, the Contractor must provide the State with a written request to do so. Prior written approval must be obtained from the State before engaging a subcontractor. Please refer to Section 8, Subsection D.5, Subcontracting, of the Pro Forma Contract.

Subsequent requests for additional subcontractors should be submitted to the State as designated in Section E.2 of the Pro Forma Contract, Communications and Contacts, with the approval or rejection sent to the Contractor as designated in E.2.